

Date Mailed January 26, 1998

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application for Approval for Wisconsin Electric
Power Company to Assign Certain Wholesale Power
Contracts to Griffin Energy Marketing L.L.C.

6630-AE-110

NOTICE OF INVESTIGATION AND ASSESSMENT OF COSTS

Wisconsin Electric Power Company (WEPCO) filed an application with the Public Service Commission of Wisconsin (Commission) on December 22, 1997, under ss. 196.52 and 196.795, Stats., for authority to assign five wholesale power contracts with commercial customers in Illinois to Griffin Energy Marketing L.L.C. (Griffin).

WEPCO, 231 West Michigan Street, Milwaukee, WI 53201-2046, is a Wisconsin corporation primarily engaged in rendering electric, gas, and steam utility service to the public and is a public utility as defined in s. 196.01, Stats.

Griffin is a limited liability company engaged in power marketing under license granted by the Federal Energy Regulatory Commission and is a wholly-owned subsidiary of Wisvest Corporation (Wisvest).

WEPCO and Wisvest are wholly-owned subsidiaries of Wisconsin Energy Corporation (WEC) which is a holding company as defined by s. 196.795(1)(h)1a, Stats. WEC, WEPCO, Wisvest and Griffin are affiliated interests according to s. 196.52, Stats.

Under the proposed agreements, WEPCO would assign five wholesale contracts with commercial customers located in Illinois to Griffin. The sales of power to these customers are being made under two retail wheeling experiments in Illinois. These experiments allow certain retail customers to contract for part or all of the power supply portion of their electric service from providers other than the local utility.

This is a Type III action under s. PSC 4.10(3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

NOTICE IS GIVEN that the Commission intends to investigate this application without hearing.

NOTICE IS FURTHER GIVEN that the Commission considers it necessary in order to carry out its duties to investigate the books, accounts, practices, and activities of the Applicant. The expenses incurred or to be incurred by the Commission which are reasonably attributable to the investigation will be assessed against and collected from the Applicant, in accordance with the provisions of s. 196.85, Stats., and ch. PSC 5, Wis. Adm. Code.

If there are any questions regarding this matter, please contact James Wagner, Electric Division, at (608) 267-9768.

Dated at Madison, Wisconsin, _____

For the Commission.

Susan E. Stratton
Administrator
Electric Division

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